



DEVELOP LOUISVILLE HOMEBUYER ASSISTANCE PROGRAM

FREQUENTLY ASKED QUESTIONS

1. How much assistance will I receive?

Assistance is based upon the need of each individual homebuyer, the purchase price of the home, and the goals of the Homebuyer Assistance Program. Upon submitting a completed Home Purchase Packet, the amount of assistance available to a homebuyer(s) will be determined and approved by the case review board.

2. How long does the application process take?

The application process is a two-step process. The first step is to submit a Homebuyer Assistance Application to our office. A copy of this application can be found on this website. Once you have submitted a complete application, you will receive notification if you are income qualified to participate in the program. Once you receive this "pre-approval", you can start searching for a home. The second step is once you have a sales contract on a home is to submit a Home Purchase Packet to our office. Once you have submitted a complete home purchase packet, you will receive notification as to the amount of assistance you will receive. It can take up to 8 weeks between receipt of a home purchase packet and closing on a home.

3. Can I purchase a vacant, abandoned property (VAP) to rehab?

YES, we encourage homebuyers to invest in VAP's if they utilize a FHA 203(k) loan. Speak with your lending intuition for more information about 203(k) loans.

4. Do I have to be a first time homebuyer?

NO, homebuyers just have to be income and credit qualified to participate. Please see the income limits to see if you may qualify.

5. Where do I start?

You must complete homeownership counseling and receive a pre-approval from a lending institution BEFORE you apply. Please see the list of housing counseling agencies to enroll in homeownership counseling. If you have completed these steps, please fill out the Homebuyer Assistance Application, as found on this website and submit it to our office.

6. Will you reserve assistance for me?

No, assistance is provided on a first come, first serve basis, subject to availability of funding. We will be able to conditionally commit assistance to a homebuyer, once their application has been approved by the case review board.



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7. What is expected of me as the homebuyer?

Homebuyers are expected to financially contribute to the purchase of the property through the payment of prepaid expenses, the good faith deposit, and payment of a recording fee to Metro. The homebuyer(s) good faith deposit must be credited against the purchase of the home, and under no condition will funds from the closing will result in cash back to the homebuyer(s). Additionally, the homebuyer is expected to live in the home as their primary residence for the term of the mortgage, between 5 – 15 years, depending upon the amount of assistance provided. If the homebuyer moves before the mortgage term expires, a percentage of the amount of assistance will be subject to recapture / repayment to Metro.

8. Where can I get more information?

Please call 502-574-1974